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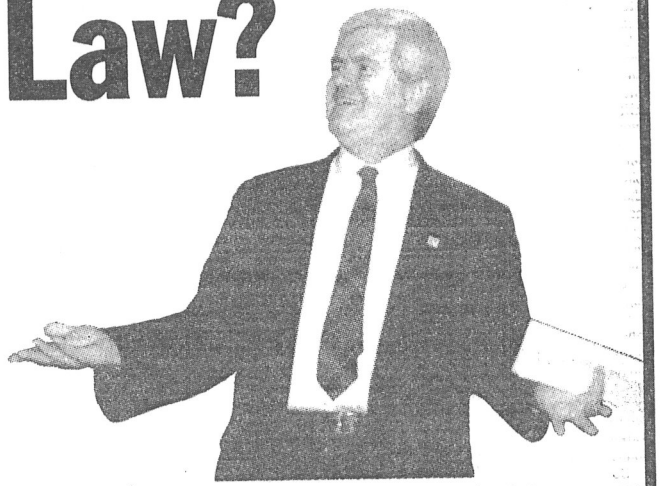
Your chance to stop secret money in politics

Is Newt Gingrich Above the Law?

This week, the House Ethics Committee should reconvene to consider charges against the Speaker of the House. Mr. Gingrich, arguably the most powerful man in Washington, presents himself as a leader who has risen to power on the strength of his new ideas. But leaked financial records suggest that the Speaker got ahead the old-fashioned way—by rewarding wealthy donors. In what the FEC says is a violation of federal law, Mr. Gingrich has refused to release the names of these donors, many of whom will realize huge profits from regulatory rollbacks and tax cuts engineered by the Speaker.



"Congressmen are not bribed anymore. They simply have a lot of friends who are willing to help them out whenever they find it necessary." —NEWT GINGRICH

To date, both the Ethics Committee and the media have focused primarily on Mr. Gingrich's deal with media magnate Rupert Murdoch for the Speaker's recently released book, *To Renew America*. But the deeper question implicit in the charges before the committee is whether the Speaker rose to power through brazen violations of the law.

Here are a few facts not disclosed in Mr. Gingrich's new book:

Gingrich hid the sources of more

The only way to know for certain how many legislative conflicts of interest exist is to open GOPAC's books.

Gingrich used charities for political gain

Influence-peddling seems to pervade all parts of Gingrich's political machine, including his college course, "Renewing American Civilization."

In 1993, Gingrich told the House Ethics differences, they have repeatedly supported one another for leadership posts. Last year, Gingrich asked Johnson to second his nomination for Speaker.

During Gingrich's first 100 days as Speaker, the House took unexpected time off from pushing the "Contract With America" to expedite a little-noticed bill that allows Medicare patients to use private insurers. The Medicare Select bill had been the pet legislation of Johnson, who is a top congressional recipient of contributions on our political leadership.

Mother Jones was recently named "Best in the Business" for investigative reporting by the *American Journalism Review*. Our honest reporting on money politics has won respect across political lines.

We were the first national magazine to look into Newt Gingrich, publishing a series of exposés beginning in 1984 that have been widely cited in other media. In 1993, we exposed Democratic then-Speaker Tom Foley's secret efforts to rein in freshman Democrats and squelch campaign reform.

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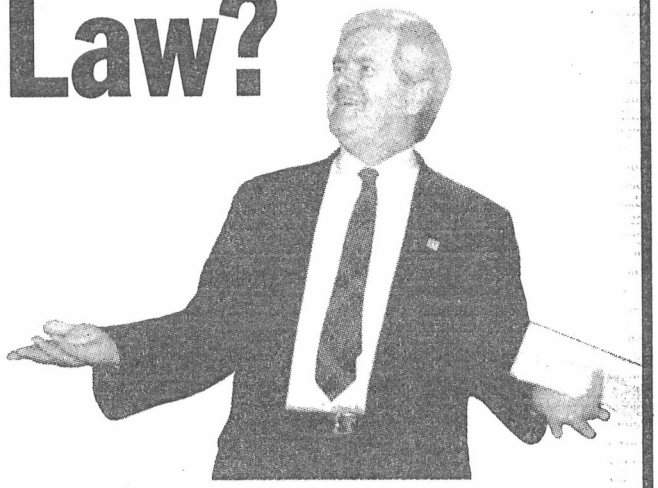

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Gingrich hid the sources of more than $10 million in contributions

GOPAC, the political action committee Gingrich headed from 1986 until May of this year, helped bankroll last year's Republican takeover. In defiance of the Federal Election Commission, GOPAC refuses to divulge the names of all its donors or to abide by federal contribution limits, thus enabling wealthy donors to give hundreds of thousands of dollars more than the law allows.

GOPAC claims that it spends its millions primarily on candidates for state offices, and therefore is exempt from federal laws. But GOPAC's largest funder

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"It is vital that the Ethics Committee hire outside counsel and pursue these questions thoroughly. The trust of the public and the integrity of the House will accept no lower standard."

Newt Gingrich on then-Speaker Jim Wright, 1988

Why We Need an Independent Counsel

The allegations facing Newt Gingrich add up to much more than political business as usual. They include violating tax laws, breaking House rules regarding favors for contributors, and abusing official resources to promote his political agenda.

But the House Ethics Committee investigation is going nowhere because the country's institutions aren't pressing forward.

— *The Republicans:* They are defending Gingrich because he led them to power and has enforced strict discipline and loyalty within the party.

— *The Democrats:* The opposition party is conflicted. Many have their own

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Supported by thousands of individuals around the country, *Mother Jones*' investigative work holds corporations, politicians, and other powerful interests accountable. You can help keep the pressure on by adding your support now.

How you can learn more

We have available:

— The secret list of more than 150 major GOPAC contributors, annotated by the editors of *Mother Jones*—who they are, how much they have invested, and what their legislative interests are;

give hundreds of thousands of dollars more than the law allows.

GOPAC claims that it spends its millions primarily on candidates for state offices, and therefore is exempt from federal laws. But GOPAC's largest funder has admitted that he helped GOPAC raise $3 million for federal candidates in 1991-1992, none of which was disclosed.

Furthermore, an investigation of GOPAC's disclosures in individual states reveals a pattern of incomplete filings and "recycled" contributions. For example, GOPAC reported the same eight $5,000 contributions in at least six different states.

Gingrich did political favors for secret donors

A partial list of major GOPAC contributors leaked to the press reveals many donors who want a return on their investment and some who may have already received one.

For instance, J. Patrick Rooney, head of Golden Rule Insurance, and his associates have given well over $100,000 to GOPAC. As soon as Gingrich became Speaker, the House put off an investigation of Golden Rule for insurance abuses. (The subcommittee head who made the decision to delay was Joe Barton, R-Texas, a major GOPAC fund-raiser.) Rooney's company also stands to profit handsomely from Gingrich's health care proposals. The Speaker has plugged Golden Rule in his "college course" and in his new book, never disclosing his relationship to the company.

This is merely one example of a possible political payback. Our partial list of major contributors and their financial interests is available by mail (see coupon) and on the Internet (see below). Many of the listed donors have had regulatory problems with agencies such as the EPA, FDA, SEC, and FCC, all of which Gingrich seeks to weaken.

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— *The Republicans:* They are defending Gingrich because he led them to power and has enforced strict discipline and loyalty within the party.

— *The Democrats:* The opposition party is conflicted. Many have their own ethical shortcomings, which they fear Gingrich will expose if they take a stand.

— *The media:* Without the urging of official spokespeople, the media has been reluctant to pursue the allegations.

Appointing an independent counsel with the power to recommend action is the clearest way to depoliticize the allegations and account for the millions of dollars that Gingrich has raised—and spent—in secret. Only an independent counsel can ensure that Newt Gingrich is not above the law.

Committee that his televised college course would be "completely nonpartisan" and thus eligible for tax-deductible funding.

But internal documents make clear his partisan purpose. In a letter to college Republican chapters nationwide, for example, Gingrich sold the course as a means to capture "first [the American people's] imagination and then their votes." The course lectures form the core of Mr. Gingrich's new book.

GOPAC officials developed, solicited funds for, and marketed the course. About half of the course's original funding came from GOPAC's biggest donors, who received tax deductions because their contributions could now be channeled through a college's charitable foundation.

Why the Ethics Committee is stonewalling

Despite having passed its deadline for a decision last week, the House Ethics Committee has scarcely begun to investigate these serious charges. Evidence suggests that the committee chair, Nancy Johnson (R-Conn.), is simply stonewalling.

Johnson is a political moderate with a reputation for integrity, but she also has a long-term, mutually beneficial relationship with Gingrich. Despite ideological insurance industry campaign money.

The four other GOP members on the House Ethics Committee also have ties to Gingrich and apparent conflicts of interest:

— Porter Goss (R-Fla.) is a GOPAC donor;

— Steven Schiff (R-N.M.) is a potential witness in one influence-peddling allegation against Gingrich;

— Jim Bunning (R-Ky.) has received money from GOPAC; and

— Dave Hobson (R-Ohio) solicited a letter now being used in Gingrich's defense.

The Ethics Committee is currently deadlocked on whether to recommend an independent probe of the charges against the Speaker. If public scrutiny wavers (as some members of both parties hope), the committee is likely to orchestrate a sham investigation.

You can help keep the investigative pressure on

To extend reporting efforts at this critical time, to help keep the public informed and the pressure on for an independent counsel, nonprofit investigative magazine *Mother Jones* has enlisted the support of Americans concerned about the corrupting influence of large, often-secret

— The secret list of more than 150 major GOPAC contributors, annotated by the editors of *Mother Jones*—who they are, how much they have invested, and what their legislative interests are;

— *Mother Jones'* information pack on the Speaker, "What You Need to Know About Newt," including our 1984 and 1989 profiles; and

— Subscriptions to *Mother Jones*, the nation's best magazine for investigative reporting.

With your help, *Mother Jones* can have a tremendous impact on whether money politics is scrutinized in the media. Respond now while this ad is in your hands.

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Our thanks to you: For your contribution of $15 or more, Mother Jones *will send you an annotated list of major GOPAC contributors, a year of* Mother Jones, *and our exclusive info-pack "What You Need to Know About Newt." Nine dollars of your gift goes toward the magazine subscription.*

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Participate in the nation's first online investigation of political paybacks: *Mother Jones'* "Coin-Operated Congress" feature on the Internet includes an interactive database of PAC contributions to all congressional candidates—Democrat, Republican, and independent—in the last electoral cycle. We also have annotated a leaked list of more than 150 top contributors to GOPAC. Point your World Wide Web browser to *The MoJo Wire* at **http://www.mojones.com**.

Photo: John Duricka/AP Wide World